

Title: An Exploratory study: The effects of social media in Tourism & Hospitality industry with reference to Gen-Z Travelers.

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ABSTRACT

Social media is gaining more and more popularity due to increase in Mobile Telephony density, user friendliness of smart phones in particular among GEN-Z generation (born after 2000) of travelers. GEN-Z are expected to form a major chunk of population approximately 3.1 Billion by 2021, naturally that will drive the service industries like Tourism & Hospitality. The study explores the effects of social media in Tourism & Hospitality on GEN-Z & how it affects their decision making to choose a particular Holiday destination, or to book a hotel. The paper provides a conceptual framework how social media plays a pivotal role in influencing individual choice to arrive at an informed travel decision. Gen Z are quickly stealing a major portion of marketer's attention. The study also briefly attempts to explore how marketers are leveraging their online product mix to entice the most important demographic group, the Gen Z travelers.

Keywords- Gen-Z, social media, mobile telephony, travel decision, product mix

INTRODUCTION

In today's digital world, the information & communication technology (ICT) is fueling the growth of social media. Earlier there was a limited mode of communication like radio, print media, and electronic media. Now in the era of digital revolution, we are no longer dependent upon just basic necessities like food, shelter, and clothing. Internet & social media have become the basic necessity. Social media refers to the means of interactions between people who can express, share, exchange information through virtual communities & networks. Social media facilitates seamless interaction between people of different continents without being physically present. Today, social Medias like Facebook, Instagram, YouTube, Twitter, WhatsApp, Snapchat have become an integral part of our life both from personal & business perspective.

Social media has made an enormous impact on tourism & hospitality industry. Consumers & young travelers like Gen-Z engage with social Networking sites to research trips, make informed decision about choosing a holiday destinations, booking hotels & also share their personal experiences of a particular hotel, restaurant or airline.



Figure – 1 (Source: Getty images)

In order to put things in perspective & getting to know why Gen-Z are important decision makers in Tourism & Hospitality, lets understand following facts:

- Gen-Z will be the largest generation surpassing Baby boomers (born 1946-64), Gen-X (1965-76), Millennial/Gen-Y (1977-95) by 2021.
- Approximate number all over the world would be 3.1 billion

- Upto 1.43 Billion of buying power or capacity (travelling, recreation, choosing holiday destination, Hotel booking, Airline)
- Entering the workforce or early in their professional career
- Constantly connected – more than half use their smart phones 5+ hours per day
- Social media is an important communication platform – more than 50% use Twitter, Snapchat, Facebook, Instagram, YouTube, WhatsApp.
- Gen-Z already taking almost as many trips as Millennials
- Gen-Z Travel right- taking extended vacations
- More likely to travel to domestic destinations

TripAdvisor is travel & restaurant website showing Hotel & restaurant reviews, booking, interactive travel forums & travel related content. It has 50 million monthly visitors who actively seek travel information. This user generated content (UGC) is followed with 200 million reviews & nearly 800 million active users on Facebook posting updates & sharing images makes social media is dominating the travel industry. The young travelers around the world through their behavior, attitude, & influence of social media are redefining the rules of engagement for travel marketers. Gen-Z are quickly gaining financial independence & travelling for Bleisure (business travel for leisure). Gen-Z travelers are taking 2.8 leisure trips per year, which is just behind Millennials (3 leisure trips per year), indicating that travel is already a priority for this generation. Today, Gen-Z are also heavily influencing family travel decisions, and in the coming years, as more Gen Z enter the workforce and increase their disposable income, their prioritization of travel & growing budgets will unlock myriad opportunities for marketers.

SCOPE OF THE STUDY

The study first tried to analyze the variables that affected the impact of social media on Tourism & Hospitality with reference to Gen Z. The study attempts to explore the strategic importance & relationship of social media impacts which ultimately leads to an informed decision making by Gen Z. The advent of social media challenges the status quo of traditional travel decisions & being influenced by innovative marketers.

OBJECTIVES OF THE STUDY

The objectives of the study are:

- The primary objective of this study is to recognize & understand the impacts of social media on Tourism & Hospitality pertaining to Gen Z travelers.
- To understand the full extent of types of popular social media.
- To provide factual information based on the research to relevant stakeholders
- To analyze the factors of the perceived value of Gen Z travelers through using the social media to make informed decision for destination travel.

RESEARCH METHODOLOGY

In order to achieve the aim of the study & achieve at conclusion, primary data was collected through structured Questionnaire of total 25 used. These included respondents of age group between 16 years – 18 years & 19 years – 22 years old typically representing the Gen Z generation of travelers. Secondary data have been collected through Literature Review, Research publication, Reports of World Travel Tourism Council (WTTC) & other relevant International organizations including Expedia media.

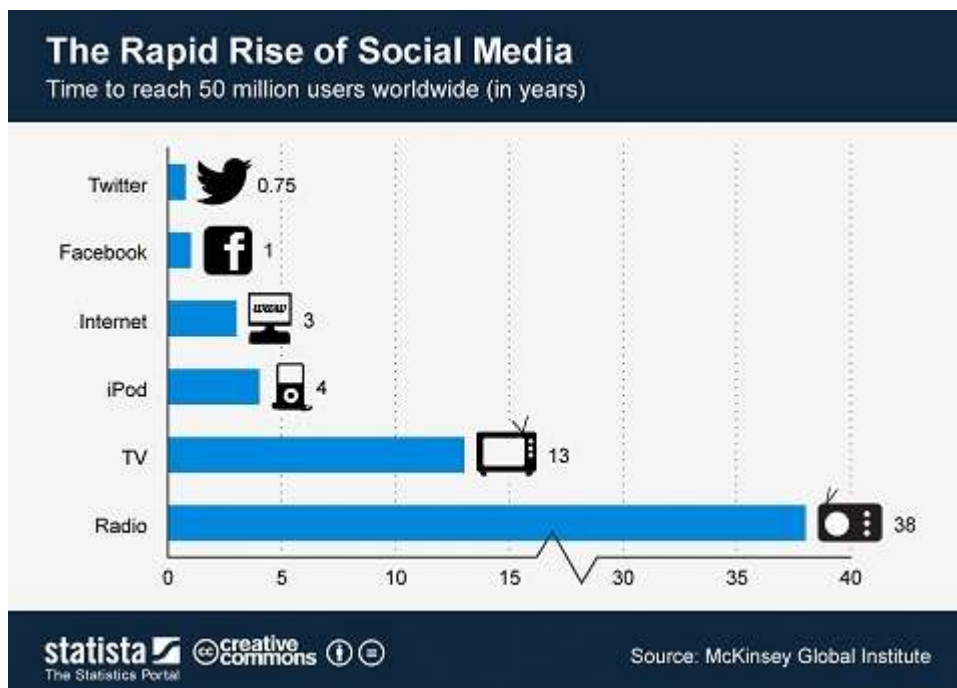
Publications related to Tourism & Hospitality were also gathered & identified for the research purpose. Relevant database, tourism info graphics & Google scholar were also used during the course of the study. In order to achieve the objective of the study, social media related articles, social networking sites, travel & tourism industry related updates were referred to arrive at conclusion. A quantitative analysis was done & the measures were monitored of the samples to comprehend any specific behavior patterns which could be attributed to the impact of social media. It was noted that the majority of the samples were strongly impacted and influenced by social media.

SOCIAL MEDIA IN TOURISM & HOSPITALITY

In a transition from information to knowledge based economy, the role of Information & communication technology (ICT) & use of social media have become the Mega trends in Tourism & Hospitality industry. In service sector based developing economies like India with

its burgeoning Gen Z travelers are using social media like never before. It has become a basic necessity & integral part of daily life. Social media are primarily internet – based tools for sharing & discussing information among human beings (Wikipedia). Social media is assuming an integral part of information & access for travelers. Social media essentially is a category of online media where people are talking, participating, sharing, networking and making hotel, travel booking online (Ron Jones 2013). Social media is the collection of tools and online space available to help individuals and businesses to accelerate their information and communication needs (Alex Schultze 2015). It has become must for Destination Management Origination (DMO) to adapt & meet the challenges placed by new interaction & communication paradigms in the tourism sector (Rocque & Roposo, 2016). Social media is defined as the group of applications which allows the formation and alter the content developed and based on the technological fundamentals of internet (Kaplan & Haenlein, 2010). Gretzel, Yoo, & Purifoy (2007) found that online reviews & rating websites increase traveler’s confidence during decision making.

There are large no. of travelers who are influenced by user generated content (UGC) and their numbers keep on increasing (Lange-Faria & Elliot 2014). The user generated content (UGC) is perceived to be more trustworthy when compared with traditional websites, travel agents & mass media advertising (Fortis, Buhalis, & Rossides, 2012).



(Figure 2)

This study pursues following Research questions & the results of the study were inferred from the following set of Research Questionnaire (RQ), open ended & closed ended:

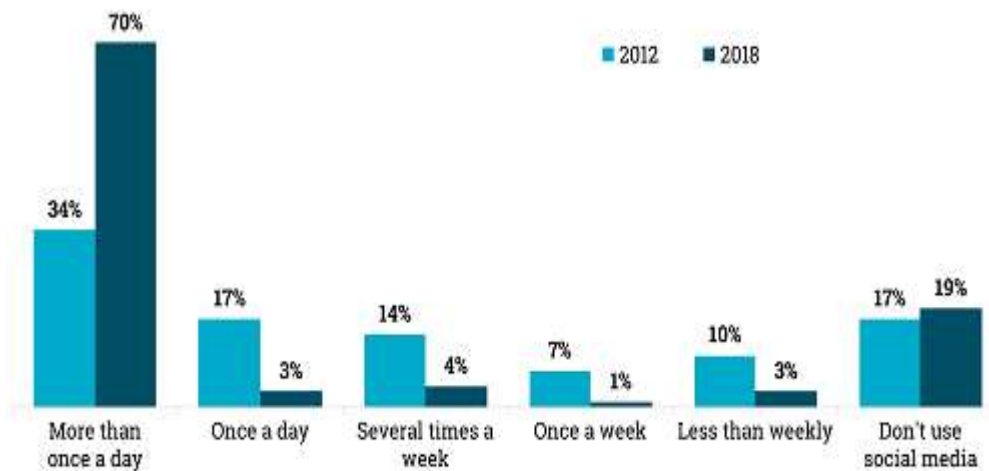
1. Do you use social media to plan a trip, book a hotel or airline?
2. How many trips do you take per year?
3. Do you find social media helpful while making a travel plan?
4. What is the duration of your trip?
5. Is it your first planning trip?
6. How often do you make last minute changes in your travel plan?
7. Is your trip location domestic or international?
8. What type of vacations do you like to take?
9. Was budget a consideration?
10. What is your proportion of travel spending?
11. What type of activities & experiences do you enjoy on a trip?
12. How much was the social media influence?
13. What was the type of vacation in the past year?
14. Which social media in particular do you find user friendly?
15. Do you research & compare different social media before making a travel plan?
16. How social media influences your friend's travel plan?
17. How much do you use smart phone to make a travel plan?
18. Do you prefer online payments which choosing a travel destination, book a hotel or to buy air tickets?
19. How much influence do online advertisements have on you & your friends?
20. How much business trips did you take during the past 12 months?
21. Do you enjoy Bleisure (business + leisure) travel?
22. Which of the following statements best describe you?
 - a) Saving for bleisure starts early: ½ months
 - b) Before the trip is scheduled.
 - c) As soon as the bleisure trip is scheduled.

23. Before / while considering turning a business trip into bleisure trip, how much time do you typically spend on research to help you make your decision?
24. What are the biggest factors influencing your decision to turn a business trip into bleisure trip?
 - a) Great entertainment, city sight seeing
 - b) Iconic destinations
 - c) Travel with friends & family
25. What percentage of all your past bleisure trips have you stayed in the same city versus staying in a different city for both?
26. What type of locations do you prefer like beaches, sun & sand, exotic, or food & rest?

RESULTS & ANALYSIS

- Gen Z travelers prioritize experiences ahead of price, but budget is still a consideration, so marketers should promote unique offerings – grounded in a great deal.
- Most travelers are undecided on a destination when they decide to take a trip, illustrating an opportunity to influence through relevant content and advertising.
- Gen Z are more likely than other generations to take an activity – based trip or travel for a special event or party, but they are also visiting and travelling with family & influencing their family’s travel decisions.
- It is evident from finding that younger generations are influenced by social media and advertising, especially through appealing deals, photos & videos.
- Bleisure travel will become more prominent in the coming years, due in part to the large and growing Gen Z workforce.

Frequency of Teen Use of Social Media

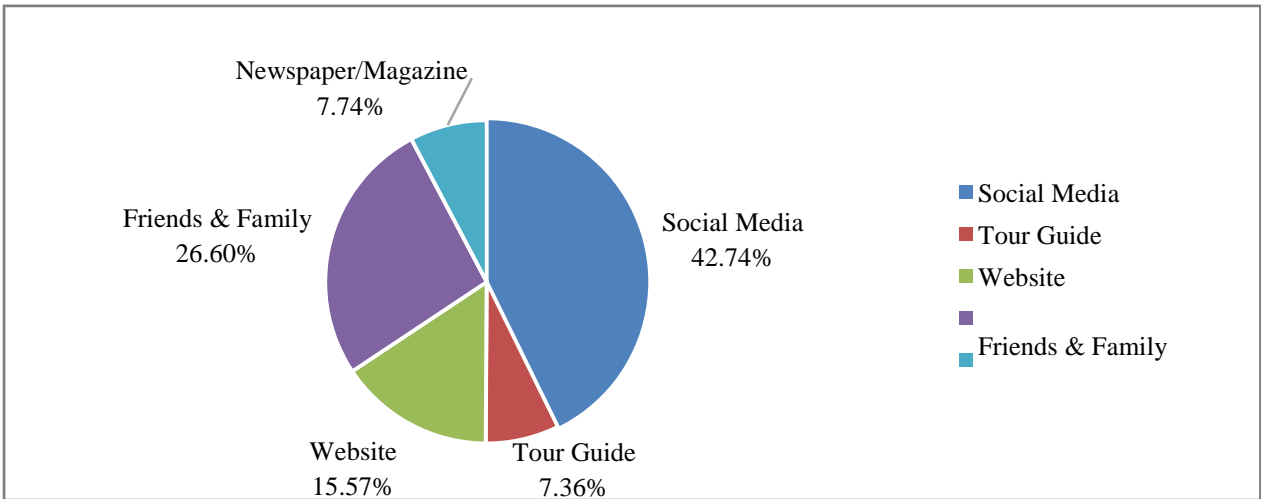


Published on MarketingCharts.com in September 2018 | Data Source: Common Sense Media

(Figure – 3)

Figure – 3 illustrates how frequently Teen use social media which has become an integral part of their daily life.

In response to the sources used to gather information, 42.74% respondents said that they use social media to find information about destination, hotel, and transport because their friends share travel experience and reviews on social media. 26.60%, 15.57%, 7.74% & 7.36% respondents consult with friends/family, Websites, Newspaper/Magazine, and Tour Guide respectively. The following chart shows distribution of percentage for media used to search travel information.



(Figure – 4) illustrates media used to search travel information

Travel spending allocation of Gen-Z with Millenials

Particulars	Gen- Z (%)	Millenials (%)
Hotels	22.5	25.6
Flights	20.2	19.8
Food	16.4	16.2
Transportation	11.4	10.3
Shopping	11.1	10.5
Attractions	11.0	10.6

(Source: Expedia Travel Search: 2019)

Opportunities abound for Inspiration & influence

Gen-Z are prioritizing travel, but they are much more receptive to inspiration and information especially from social media. They are much more reliant on their smartphones at nearly every stage of the purchase journey than any other generations.

As the first fully digital generation, Gen Z travelers can be influenced by social media and advertising, especially appealing images and deals, so marketers should implement a content rich, mobile friendly and multiplatform approach to successfully reach this valuable audience.

Nearly 77% of Gen Z travelers are open to help and inspiration when planning a trip, and nearly 70% use their smartphone when looking for travel information.

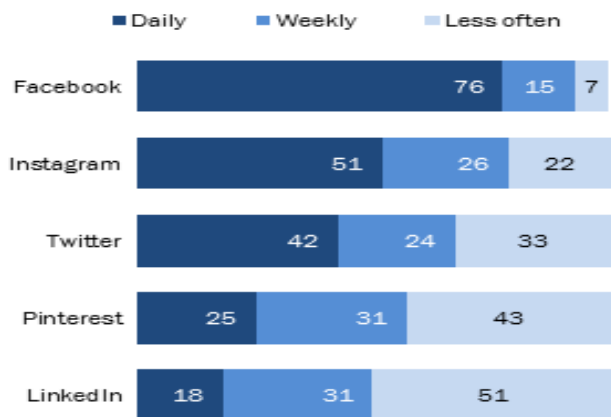
Eighty-four percent of Gen Z travelers said social media can be influential, particularly deals or promotions and travel pictures or videos from friends & experts.

Appealing deals and images are also impactful for the more than 60% of Gen Z who said social media advertising can be influential, revealing a receptive audience for travel marketers.

Given that budget is a consideration for eight in 10 Gen Z travelers, ads combining inspirational images with deal messaging may help convert this audience.

Three-quarters of Facebook users and half of Instagram users use each site daily

Among the users of each social networking site, % who use these sites ...



(Figure – 4) illustrates how Facebook & Instagram dominate the world of social media.

Destination Indecisive with Diverse Trip Preferences & Priorities

Two-thirds of Gen Z travelers are undecided on a destination when they decided to take a trip and their diverse trip preferences illustrate broad opportunities for marketers to entice them.

Relaxing, sightseeing and visiting family and friends (VFR) are the most popular trip types of Gen Z travelers, but they are also more likely than other generations to take an activity based vacation (i.e. skiing or hiking), or travel for a special event (i.e. concert, festival, sports) or a party.

When asked to prioritize, Gen Z rank activities and once in a lifetime trips or bucket list experience well ahead of deals or lowest price, even more so than other generations.

Burgeoning Bleisure Travelers (Business + Leisure)

Although millennials are currently outpacing Gen Z in business travel 6.4 business trips per year versus 4.8 trips – both generations are capitalizing on and saving for opportunities to extend business travel for leisure, or bleisure.

Sixty – six percent of Gen Z business trips were extended for leisure, and 88% of Gen Z traveler save for bleisure travel. Bleisure travel will likely to increase as more Gen Z enter the workforce in the coming years, illustrating a burgeoning opportunity for travel marketers.

Destination marketers looking to engage and convert younger bleisure travelers should highlight entertainment and recreational activities – 41 percent of Gen Z said this is a leading factor in their bleisure travel decisions.

CONCLUSION

It is concluded that the effects of social media on Gen Z to make travel decisions are very much visible. It is evident that Information & communication Technology (ICT) has contributed to the growth of social media. The study helped in arriving at a logical conclusion that social media does impact the Gen Z travelers to make at an informed decision. Social media vastly influence the traveler's decision throughout the digital life cycle of decision making. Social media helps in great deal from pre-stage research to post travel.

Because of social media all the relevant information from pre booking a travel destination, hotels, and airlines to end to end payment is available on the fingertips. It is evident that the technology has helped in reducing the cost, the time and wait period for the tourist. From the supplier side, the costs of advertising & marketing campaigns have been reduced due to the seamless reach of social media.

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